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STEM CELL BOARD CALLS STATE LEGISLATION 'PREMATURE'

New Research Grants Possible by Yearend

SACRAMENTO, April 11, 2007 – The governing board of California's stem cell project voted unanimously yesterday to oppose state legislation setting financial terms for recipients of its research grants, calling the bill "premature".

State Senate Bill 771 would set requirements for revenue-sharing, pricing, and access to treatment, for therapies developed through grants awarded by the California Institute for Regenerative Medicine (CIRM). The bill would supersede regulations already drafted by the CIRM and its board that address these issues.

Robert N. Klein, chairman of the CIRM governing board said, "We agree with legislators on the objectives of preferential prices for California public entities, fair access, and a fair return to the state for any therapies arising from our funded research. As required by law, we're pursuing an open, public process to develop regulations aimed at achieving those goals. We've held more than a dozen public meetings on the subject and have consulted hundreds of experts from life science companies, consumer advocates, and public and private grant-making agencies. The board would like to see that process through to completion, rather than have the legislature act prematurely, before the public process is completed."

Klein noted that ideas and advice offered by legislators have been incorporated into the proposed CIRM regulations. "There is keen interest in this specific subject as well as the potential for stem cell research in California," he said. "We will continue meeting with the legislators on those and other issues. We hope they'll give us the chance to work through the complex problems of access, pricing, and intellectual property before judging the results."

The Independent Citizens Oversight Committee (ICOC), governing board of the CIRM, also voted unanimously to oppose S. 30, a bill in the U.S. Senate that calls on stem cell researchers to use "naturally dead" embryos. The ICOC noted that the bill has been widely criticized by scientists as confusing and ill-defined, and that it would not provide additional support that the field needs and may create new obstacles to stem cell research. Klein contrasted S. 30 with S. 5, saying, "S. 5 would provide the United States an historic opportunity to truly support embryonic stem cell research and to join California in the search for new therapies for 70 areas of chronic disease."

Zach Hall, Ph.D., CIRM's President and Chief Scientific Officer, told the ICOC his staff plans to bring seven additional research funding initiatives to them for consideration and approval before

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the end of the year. The initiatives are defined in the CIRM Scientific Strategic Plan and include funding for:

- Large facilities
- Career development
- Planning for disease teams
- Biology of stem cells
- Translational research
- Preclinical development
- Tools, reagents, and technologies

Hall indicated all but the first two initiatives could be open to applications from for-profit research entities. To date, CIRM grants have been restricted to non-profit and academic research institutions.

About CIRM

Governed by the ICOC, CIRM was established in 2004 with the passage of Proposition 71, the California Stem Cell Research and Cures Initiative. The statewide ballot measure, which provided \$3 billion in funding for stem cell research at California universities and research institutions, was approved by California voters, and called for the establishment of an entity to make grants and provide loans for stem cell research, research facilities, and other vital research opportunities. For more information, please visit www.cirm.ca.gov.

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